

FARMLAND PRESERVATION & FARMLAND TAX RELIEF CREDITS 2007 PROGRAM PAYMENTS

Wisconsin provides tax credits to farmers through both the Farmland Preservation Program and the Farmland Tax Relief Program. The Farmland Preservation Program, established in 1977, seeks to conserve Wisconsin farmland and provide tax relief. The Farmland Tax Relief Credit was created in 1989 to provide additional tax relief to owners of farmland. Farmland owners may be eligible to claim both credits.

In 2007, approximately \$27.0 million was distributed to Wisconsin farmers through these two programs. About 18,100 farmers received \$12.1 million of Farmland Preservation Credits and approximately 52,200 farmers received Farmland Tax Relief Credits totaling \$14.9 million. Both credits are paid as an offset to state income tax or as a cash refund if the credits exceed income tax due. The sum of the credits may not exceed 95% of the annual property taxes on a claimant's farm.

The Farmland Tax Relief Credit Program provides direct benefits to all farmland owners with 35 or more acres. The credit is computed as a percentage of up to \$10,000 of property taxes, with the maximum credit at \$1,500. The Department of Revenue annually determines the credit percentage so that expenditures on the credit for all claimants (individual and corporate) will total \$15 million, adjusted up or down for expenditures in excess of, or less than, this amount in the prior fiscal year. For payments in 2007 (for tax year 2006), the credit was based on 23% of the first \$10,000 of property taxes. The average Farmland Tax Credit paid in 2007 was \$286.

The goals of the Farmland Preservation Credit Program are twofold: (1) to preserve Wisconsin farmland by means of local land use planning and soil conservation practices and (2) to provide property tax relief to farmland owners. To qualify for the credit, farmland must be 35 acres or more and zoned for exclusive agricultural use or be subject to a preservation agreement between the farmland owner and the state. In addition, all participants must comply with soil and water conservation standards set by the state Land Conservation Board. The average Farmland Preservation Credit paid in 2007 (for tax year 2006) averaged \$669 and equaled 20% of the average claimant's property tax bill. Approximately 35% of farm owners with 35 acres or more claimed Farmland Preservation Credits in 2007.

The following table shows statistics on individual claimant participation in the farmland credit programs by county. Data for corporations and trusts and estates is excluded. Data are shown for the county in which the claimant lives, which may not be the same as the county in which the farmland is located.

FARMLAND CREDITS BY COUNTY, 2007*
(2006 Property Tax Year)

County	FARMLAND TAX RELIEF			FARMLAND PRESERVATION			
	Count	Amount (\$)	Average (\$)	Count	Amount (\$)	Average (\$)	Participation Rate
Adams	192	79,584	415	31	23,566	760	16.1%
Ashland	63	18,676	296	11	3,543	322	17.5%
Barron	1,006	258,754	257	362	299,326	827	36.0%
Bayfield	127	34,346	270	26	21,068	810	20.5%
Brown	1,028	201,680	196	676	402,823	596	65.8%
Buffalo	772	324,427	420	180	142,812	793	23.3%
Burnett	157	47,427	302	25	27,164	1,087	15.9%
Calumet	792	148,154	187	254	143,131	564	32.1%
Chippewa	1,171	273,318	233	69	25,408	368	5.9%
Clark	1,625	343,920	212	65	42,346	651	4.0%
Columbia	1,325	457,545	345	797	559,103	702	60.2%
Crawford	667	195,400	293	143	139,724	977	21.4%
Dane	2,644	938,489	355	1,649	990,593	601	62.4%
Dodge	1,941	547,457	282	776	509,866	657	40.0%
Door	472	95,055	201	61	38,661	634	12.9%
Douglas	59	12,784	217	6	3,374	562	10.2%
Dunn	1,097	346,119	316	163	138,115	847	14.9%
Eau Claire	738	170,723	231	213	139,164	653	28.9%
Florence	17	6,085	358	D	D	D	D
Fond Du Lac	1,534	352,492	230	1,127	699,731	621	73.5%
Forest	42	10,573	252	D	D	D	D
Grant	2,027	564,265	278	779	512,908	658	38.4%
Green	1,076	333,011	309	191	121,554	636	17.8%
Green Lake	535	141,763	265	230	106,416	463	43.0%
Iowa	1,104	328,337	297	920	754,057	820	83.3%
Iron	15	3,342	223	D	D	D	D
Jackson	520	197,359	380	50	27,874	557	9.6%
Jefferson	1,216	329,669	271	889	557,173	627	73.1%
Juneau	491	172,474	351	49	36,400	743	10.0%
Kenosha	219	84,706	387	26	15,519	597	11.9%
Kewaunee	845	167,323	198	613	407,063	664	72.5%
La Crosse	537	226,442	422	263	233,591	888	49.0%
Lafayette	1,086	367,125	338	519	419,559	808	47.8%
Langlade	334	97,832	293	205	103,348	504	61.4%
Lincoln	236	70,029	297	8	6,262	783	3.4%
Manitowoc	1,191	252,325	212	759	500,857	660	63.7%
Marathon	1,885	512,307	272	327	243,674	745	17.3%
Marinette	347	96,075	277	12	8,692	724	3.5%
Marquette	275	108,780	396	38	34,985	921	13.8%
Milwaukee	126	35,734	284	19	5,632	296	15.1%
Monroe	1,018	333,012	327	73	52,200	715	7.2%
Oconto	696	168,437	242	24	13,517	563	3.4%
Oneida	34	13,215	389	D	D	D	D
Outagamie	1,104	207,577	188	334	147,905	443	30.3%

FARMLAND CREDITS BY COUNTY, 2007 (cont.)*
(2006 Property Tax Year)

County	FARMLAND TAX RELIEF			FARMLAND PRESERVATION			
	Count	Amount (\$)	Average (\$)	Count	Amount (\$)	Average (\$)	Participation Rate
Ozaukee	306	92,933	304	156	110,508	708	51.0%
Pepin	371	122,503	330	66	50,530	766	17.8%
Pierce	873	267,589	307	116	93,499	806	13.3%
Polk	760	224,484	295	60	47,125	785	7.9%
Portage	711	247,039	347	89	78,962	887	12.5%
Price	129	35,840	278	15	10,342	689	11.6%
Racine	389	138,536	356	40	31,895	797	10.3%
Richland	698	213,163	305	420	344,715	821	60.2%
Rock	1,156	367,923	318	808	480,333	594	69.9%
Rusk	332	65,201	196	39	19,801	508	11.7%
St Croix	943	250,938	266	243	141,720	583	25.8%
Sauk	1,276	440,646	345	553	441,116	798	43.3%
Sawyer	82	26,503	323	D	D	D	D
Shawano	1,195	297,127	249	350	220,799	631	29.3%
Sheboygan	933	222,177	238	602	362,871	603	64.5%
Taylor	590	161,844	274	30	30,319	1,011	5.1%
Trempealeau	1,164	348,207	299	308	185,118	601	26.5%
Vernon	1,242	339,711	274	272	249,178	916	21.9%
Vilas	28	12,376	442	D	D	D	D
Walworth	731	243,541	333	430	244,786	569	58.8%
Washburn	138	39,709	288	D	D	D	D
Washington	706	203,366	288	123	57,782	470	17.4%
Waukesha	370	132,139	357	96	40,117	418	25.9%
Waupaca	835	234,892	281	95	70,303	740	11.4%
Waushara	366	124,252	339	40	36,632	916	10.9%
Winnebago	672	165,180	246	149	83,451	560	22.2%
Wood	785	214,667	273	37	21,423	579	4.7%
Menominee	D	D	D	D	D	D	D
Other(**)	57	16,712	293	23	20,829	906	40.3%
Grand Total	52,225	\$14,923,445	\$286	18,142	\$12,137,706	\$669	34.7%

NOTES:

(*) Excludes filings by corporate, trust, estate claimants.

(**) Includes returns for which no county is specified and out-of-state returns.

(D) Data for counties with five or fewer claimants are not disclosed; however, data for these counties are included in the state totals.

(1) Data on number of claims and credit amount for individual filers are from returns processed between July 1, 2006, and June 30, 2007.

(2) Estimated participation rate is the number of Farmland Preservation Credit claimants in the county as a percentage of the number of Farmland Tax Relief claimants in the county.

(3) The data are based on the county in which the claimant lives, which may not be the same as the county in which the farmland is located.